

## Session 2:

# Recordkeeping and Reporting Requirements

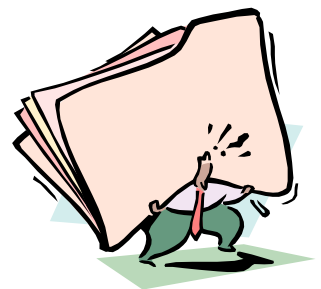
### Session Objectives

After completing this session, you will be able to:

- ✓ identify the types of records that must be maintained;
- ✓ explain record retention requirements, including format, duration, and access;
- ✓ describe the relationship between records management and audits and program reviews; *and*
- ✓ identify information that must be reported to ED and reporting methods.

### Resources

- *The Blue Book*, Chapters 2, 4, and 6
- 34 CFR 668.24, 668.42, 668.43, 668.44, 668.45, 668.46, 668.48, 674.19, 675.19, 676.19, 682.610, 685.309, 690.82
- Action Letter #6, 4/8/99; Action Letter #7, 4/27/00



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## Notes

## Team Exercise: Recordkeeping Requirements

Listed below are various records related to Title IV administration. Write your team's response to the questions for each record.

### Record #1

Record: FWS Time Sheet  
 Format: Electronic  
 Stored: HR Database  
 Student: Peter Rabbit, undergraduate  
 Began Attendance: September 1996  
 Last Attended: May 2000

Must this record be maintained?  
 When can it be discarded?  
 In what format can it be maintained?

### Record #2

Record: Bank Statements for Title IV  
 Accounts, 1996  
 Format: Paper  
 Stored: File Cabinet in Business Office

Must this record be maintained?  
 When can it be discarded?  
 In what format can it be maintained?

### Record #3

Record: EDE software, 1998-99 version  
 Format: Diskettes  
 Stored: IT Office

Must this record be maintained?  
 When can it be discarded?  
 In what format can it be maintained?

## Team Exercise (Cont'd)

### Record #4

Record: 1996-97 ISIR  
Format: Magnetic Tape  
Stored: IT Office  
Student: Jennifer Giraffe, undergraduate,  
Title IV recipient each semester  
Began Attendance: August 1994  
Last Attended: December 1996

Must this record be maintained?  
When can it be discarded?  
In what format can it be maintained?

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### Record #5

Record: State Grant Rosters, 1997-98  
Format: Paper  
Stored: FA Office file cabinet

Must this record be maintained?  
When can it be discarded?  
In what format can it be maintained?

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### Record #6

Record: Direct Loan School Account  
Statement, August 1998  
Format: Electronic  
Stored: Network server

Must this record be maintained?  
When can it be discarded?  
In what format can it be maintained?

**Team Exercise (Cont'd)****Record #7**

Record: R2T4 Refund Calculation  
 Format: Electronic, R2T4 Software  
 Stored: FA Office computer  
 Student: Leonard Lion, graduate student,  
 FFEL recipient  
 Began Attendance: January 2000  
 Last Attended: October 2000

Must this record be maintained?  
 When can it be discarded?  
 In what format can it be maintained?

**Record #8**

Record: Perkins Loan Promissory Note  
 Format: Paper  
 Stored: Cardboard storage box in rented  
 storage facility  
 Student: Zoey Zebra, undergraduate,  
 Perkins Loan in repayment  
 Began Attendance: August 1995  
 Last Attended: May 1999

Must this record be maintained?  
 When can it be discarded?  
 In what format can it be maintained?

**Record #9**

Record: Retired Student Account Records,  
 1990-1995  
 Format: CD-ROM  
 Stored: Bookshelf in Student Accounts  
 Office

Must this record be maintained?  
 When can it be discarded?  
 In what format can it be maintained?

## Examples of Required Records Common to all Title IV Programs

The following are examples of required records that must be established and maintained:

- ☐ SAR or ISIR used to determine Title IV eligibility
- ☐ Documentation of need and eligibility for Title IV funds
- ☐ Cost of attendance information
- ☐ Documents used to verify applicant data
- ☐ Required student certification statements and supporting documentation
- ☐ Documentation of all professional judgment decisions
- ☐ Data used to establish student admission, enrollment status, and period of enrollment
- ☐ Documentation of student's satisfactory academic progress
- ☐ Documentation of amount, date, and basis of all returned funds calculations for a student
- ☐ Documentation supporting the school's calculations of rates at which students graduate, complete educational programs, or transfer out



This list is not comprehensive or intended to replace regulatory guidelines.



General Exception: Records involved in any loan, claim, or expenditure questioned by a Title IV program audit, program review, investigation, or other review must be kept until questions are resolved or the end of the appropriate retention period, whichever is longer.

## Examples of Required Records Unique to Specific Title IV Programs

### Federal Pell Grant Program (34 CFR 690.82)

The following are examples of required records for the Federal Pell Grant Program that must be established and maintained:

- ☐ SAR or ISIR of each student applying for a Federal Pell Grant
- ☐ Records of eligibility for each enrolled student for whom the school has an ISIR or SAR
- ☐ Amount paid to each student including the student's name and Social Security number
- ☐ Amount and date of each payment
- ☐ Amount and date of any overpayment that is restored to the program account
- ☐ Records of each student's enrollment period
- ☐ How each student's full-time or part-time enrollment status was determined

### FSEOG Program (34 CFR 676.19)

The following are examples of required records for the FSEOG Program that must be established and maintained:

- ☐ Eligibility of each student assisted under the program and how each student's need was met
- ☐ Noncash-contribution record to document payment of the institution's share of grants to students
- ☐ Records supporting the school's application for FSEOG funds



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## Examples of Required Records Unique to Specific Title IV Programs (Cont'd)

### **Common Records for Direct Loan Program (34 CFR 685.309) and FFEL Program (34 CFR 682.610)**

The following are examples of required records that must be established and maintained:

- ☐ Amount of loan and loan period
- ☐ Amount of tuition and fees paid for loan period and date paid
- ☐ Amount and basis of calculation of refund paid to or on behalf of student
- ☐ Date and amount of each disbursement of each loan
- ☐ Student's job placement, if known
- ☐ Borrower information collected at exit loan counseling
- ☐ Documentation that student received both loan entrance and exit counseling

### **Specific to FFEL Program (34 CFR 682.610)**

The following are examples of required records that must be established and maintained:

- ☐ Copy of loan application or data electronically transmitted to lender
- ☐ Name and address of lender
- ☐ Data used to determine student's expected family contribution (EFC), cost of attendance (COA), and estimated financial assistance (EFA)
- ☐ Date school endorsed each loan check
- ☐ Date or dates loan proceeds delivered to student
- ☐ For loans delivered by EFT, copy of student's written authorization to transfer disbursements



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## Examples of Required Records Unique to Specific Title IV Programs (Cont'd)

### Federal Perkins Program (34 CFR 674.19)

School must keep the following records in a locked, fireproof container until loan is paid in full, discharged or canceled in full, assigned to ED, or is otherwise no longer the responsibility of school to collect:

- ☐ Original promissory notes
- ☐ Repayment schedules

The following are examples of required records that must be established and maintained:

- ☐ Each borrower's repayment history (showing date and amount of each repayment) and amount of each repayment credited to principal, interest, collection costs, and penalty or late charges
- ☐ Documentation of the date, nature, and result of each contact with borrower or endorser in collection of an overdue loan, including copies of all correspondence (except bills, routine overdue notices, and routine form letters)
- ☐ Records of any cancellations and deferment requests
- ☐ Collection agency reports
- ☐ Copies of promissory notes and copies of repayment schedules

### FWS Program (34 CFR 675.19)

The following are examples of required records that must be established and maintained:

- ☐ Documentation that each student has worked and earned amount paid, certified by student's supervisor, school official, or off-campus employer
- ☐ Payroll voucher to support all payroll disbursements
- ☐ For hourly students, time sheet showing hours each student worked, in clock-time sequence or total hours worked each day
- ☐ Noncash contribution record, if applicable, documenting any payment of institutional share of student's earnings in form of services and equipment



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## Examples of Required Title IV Fiscal Records (34 CFR 668.24)

The following are examples of required records that must be established and maintained on a current basis:

- ☐ Records of all Title IV program transactions
- ☐ Bank statements for all accounts containing Title IV funds
- ☐ Student accounts, which include each student's institutional charges, cash payments, Title IV payments, cash disbursements, and returned funds
  - ☐ Required for each enrollment period
- ☐ General ledger (control accounts) and related subsidiary ledgers that identify each Title IV program transaction
  - ☐ Title IV transactions must be separate from school's other financial transactions
- ☐ Reports and supporting documentation
  - ☐ Electronic Statements of Account (ESOA)
  - ☐ GAPS cash requests
  - ☐ Title IV program reconciliation responses
  - ☐ Audit reports and school responses
  - ☐ State grant and scholarship award reports
- ☐ Other records, as specified in the regulations, that pertain to factors of financial responsibility and standards of administrative capability



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## Examples of Other Required Title IV Records (34 CFR 668.24, 668.42-46)

The following are examples of required records that must be established and maintained on a current basis:

- ☐ Required student-consumer information
- ☐ Student Right-to-Know Act data and supporting documentation
- ☐ Campus Security Act reports and supporting documentation
- ☐ Program Participation Agreement (PPA) and Eligibility and Certification Approval Report (ECAR)
- ☐ Accrediting agency and licensing agency reviews, approvals, and reports
- ☐ State agency reports
- ☐ Audit and program review reports
- ☐ Self-evaluation reports



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## Records-Access Requirements

- ❑ A school must make its records available to ED for review at a location designated by ED.
- ❑ A school that participates in Title IV programs and third-party servicers with which it contracts are required to cooperate in any audit, investigation, program review, or other review authorized by law.
- ❑ A school or its third-party servicer must provide access to the following individuals, agencies, or their authorized representatives:
  - independent auditors;
  - the U.S. Secretary of Education;
  - the U.S. Department of Education's Inspector General;
  - the Comptroller General of the United States;
  - any guaranty agency in whose program the school participates; and
  - the school's accrediting agency.
- ❑ A school or its third-party servicer cooperates in the review process by providing:
  - timely access for examining and copying requested Title IV records and transactions with financial institutions;
  - reasonable access to personnel administering Title IV programs; and
  - for any Title IV recipient, any information the school has about the last known address, full name, telephone number, enrollment status, employer, and employer's address.
- ❑ If a school closes, stops providing educational programs, is terminated or suspended from participating in a Title IV program, or undergoes a change of ownership that results in a change of control, it must provide for all of its records to be retained. It must meet the same accessibility requirements as those mandated for schools participating in Title IV programs.